



# Rental Waivers to STPI Units

## Why in News

The Ministry of Electronics and Information Technology (MeitY) has decided to provide **rental waiver to small Information Technology (IT) units** operating out of the **Software Technology Parks of India**.

- This would provide a **major boost to the IT and IT-enabled [services \(ITeS\) sector](#)** amid **[Covid-19 lockdown](#)**.

## Key Points

- Most of the IT units are either **[MSMEs \(Micro, Small, and Medium Enterprises\)](#) or startups**.
- **Benefit of the Rental Waiver:**
  - This initiative will provide benefit to **nearly 200 IT-ITeS MSMEs**, operating from the 60 STPI centres.
  - This effort is also in the **larger interest of around 3,000 IT-ITeS employees** who are directly supported by MSME and startup units.
- **Cost to the Government:** The total cost of the rent waiver to these units for the four months from March 1 to June 30, 2020 is estimated to be **around Rs. 5 crore**.

## Software Technology Parks of India

- Software Technology Parks of India was **set up in 1991 as an autonomous society** under the **Ministry of Electronics and Information Technology (MeitY)**.
- STPI's main objective has been the **promotion of software exports** from the country.
  - The services rendered by STPI for the software exporting community have been **statutory services, data communications services, incubation facilities, training and value added services**.
  - STPI has played a key developmental role in the promotion of software exports with a **special focus on SMEs and startup units**.
- STPI has been implementing the **Software Technology Park (STP) scheme** and the **Electronics Hardware Technology Park (EHTP) scheme** for the promotion of IT/ITES industry.
  - STP Scheme is a unique scheme, designed to promote the **software industry and growth of startups and SMEs without any locational constraints**. A company can set up an STP unit anywhere in India.
  - The EHTP Scheme is a **100% Export Oriented Scheme** for undertaking manufacturing of electronic hardware equipment and other items in India.
- At present, more than **5,000 units are registered with STPI**.
- It has **60 centres across the country** including a mix of tier 1 cities like Bengaluru, Chennai, Mumbai, and Kolkata and tier 2 cities like Nagpur, Warangal, and Surat.

**[Source: ToI](#)**

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